

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN**

NORTH ATLANTIC OPERATING  
COMPANY, INC.; NATIONAL  
TOBACCO COMPANY, L.P.,

Plaintiffs,

v.

WALTER C. SCOTT, et al.,

Defendants.

**CIVIL ACTION NO. 16-12076**

**Honorable Terrence G. Berg**

**STIPULATION FOR ENTRY OF PERMANENT INJUNCTION AS TO  
THE ABUALKHAIR DEFENDANTS**

Plaintiffs North Atlantic Operating Company, Inc. and National Tobacco Company, L.P. (together, “North Atlantic”) and the undersigned Michelle Abualkhair, The Crown, eBay Seller yacoubj, and Thaer Abualkhair (the “Abualkhair Defendants”), hereby stipulate and agree to the Court’s entry of a permanent injunction against the Abualkhair Defendants.

WHEREAS, North Atlantic filed the Complaint on June 9, 2016 against the Abualkhair Defendants, among others, alleging various causes of action including

but not limited to trademark infringement and unfair competition relating to the manufacture, purchase, sale, and/or other distribution of counterfeit ZIG-ZAG® Orange cigarette paper products [DKT. 1 (Complaint)]<sup>1</sup>; and

WHEREAS, North Atlantic simultaneously applied, *ex parte*, for a Temporary Restraining Order, Preliminary Injunction, and Additional Relief [DKT. 3]; and

WHEREAS, on July 1, 2016, the Court granted the Temporary Restraining Order, including an order restraining the online merchant and payment accounts identified by North Atlantic [DKT. 23]; and

WHEREAS, on July 7, 2016, North Atlantic served the Abualkhair Defendants with the Summons, Complaint, and all papers and proceedings theretofore had in the Action; and

WHEREAS, subsequent to service, North Atlantic and the Abualkhair Defendants stipulated to a preliminary injunction restraining and enjoining them from the conduct more generally described in North Atlantic's Complaint; and

WHEREAS, North Atlantic and the Abualkhair Defendants subsequently settled the Action as between themselves, and as a condition of their settlement, the Abualkhair Defendants have agreed to the entry of a permanent injunction.

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<sup>1</sup> All terms not expressly defined herein have the meaning(s) ascribed to them in Plaintiffs' Complaint, DKT 1.

NOW THEREFORE, the Abualkhair Defendants, as well as their agents, servants, employees, attorneys, officers, and other representatives, and all other persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise are hereby permanently enjoined and restrained from, directly or indirectly, anywhere in the world:

1. Importing, shipping, manufacturing, distributing, delivering, advertising, promoting, making, purchasing, offering for sale, selling, or otherwise distributing or disposing of, in any manner (including, but not limited to, via online marketplace platforms such as eBay), any counterfeit or infringing ZIG-ZAG® brand products (including, but not limited to, ZIG-ZAG® Orange), or any cigarette paper products bearing:

- a. Infringing or counterfeit versions of the ZIG-ZAG® Trademarks, the NAOC® Trademarks, the NAOC© Copyright, and/or the ZIG-ZAG® Orange Trade Dress (as these terms are defined in North Atlantic's Complaint), which appear alone or in combination on all cartons and booklets of ZIG-ZAG® Orange cigarette paper products distributed by North Atlantic in the United States; and/or
- b. The false statement that such products are "Distributed by North Atlantic Operating Company, Inc." or otherwise under the control or supervision of North Atlantic, when they are not;

2. Importing, shipping, manufacturing, distributing, delivering, advertising, promoting, making, purchasing, offering for sale, selling, passing off, or otherwise distributing or disposing of, in any manner (including, but not limited to, via online marketplace platforms such as eBay), any purported North Atlantic products that are not actually produced, imported, or distributed under the control or supervision of North Atlantic and/or approved for sale in the United States by North Atlantic, in connection with the ZIG-ZAG® and NAOC® Trademarks, the NAOC© Copyright, or the ZIG-ZAG® Orange Trade Dress, or inducing or enabling others to commit any of the aforesaid actions;
3. Committing any acts calculated to cause purchasers to believe that counterfeit or infringing ZIG-ZAG® cigarette paper products, including ZIG-ZAG® Orange, originate with North Atlantic, when they do not;
4. In any way infringing or damaging the ZIG-ZAG® or NAOC® Trademarks, the NAOC© Copyright, or the ZIG-ZAG® Orange Trade Dress;
5. Otherwise unfairly competing with North Atlantic in any way;
6. Forming or causing to be formed any corporation or other entity that engages in any of the above-described acts;

7. Attempting, causing, or assisting in any of the above-described acts, including, but not limited to, enabling others in the above-described acts or passing on information to others to allow them to do so; and
8. Moving, destroying, altering, deleting, or otherwise actively disposing of any documents, records, communications, and/or electronically stored information concerning the import, manufacture, distribution, advertisement, promotion, making, purchase, offer to sell, or sale of any product that has been or is intended to be sold in packaging containing the ZIG-ZAG® or NAOOC® Trademarks, the NAOOC® Copyright, or the ZIG-ZAG® Orange Trade Dress (including such information stored in online marketplace and/or financial accounts, to the extent it is maintained by and available from such online account service providers).

WHEREFORE, the Parties stipulate and agree that the proposed Permanent Injunction as set forth above may be entered in the above-captioned matter, subject to this Court's approval and/or modifications.

(Signatures contained on following page)

THE PLAINTIFFS

North Atlantic Operating Company, Inc.  
National Tobacco Company, L.P.

Date: September 29, 2016

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(Signatures continued on following page)

THE ABUALKHAIR DEFENDANTS  
Michelle Abualkhair  
The Crown  
eBay Seller yacoubj  
Thaer Abualkhair

Date: September 29, 2016

By: /s/ Noah Harfouch (with permission)  
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**CIVIL ACTION NO. 16-12076**

**Honorable Terrence G. Berg**

**ORDER GRANTING STIPULATED PERMANENT INJUNCTION**

Upon Stipulation by Plaintiffs North Atlantic Operating Company, Inc. and National Tobacco Company, L.P. (together, “North Atlantic”) and Michelle Abualkhair, The Crown, eBay Seller yacoubj, and Thaer Abualkhair (the “Abualkhair Defendants”), requesting that a permanent injunction be entered against Abualkhair Defendants as a condition of settlement of the dispute between these Parties, and for good cause shown:

**IT IS HEREBY ORDERED** that, pursuant to Federal Rule of Civil Procedure 65, the Abualkhair Defendants, as well as their agents, servants, employees, attorneys, officers, and other representatives, and all other persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise are hereby permanently enjoined and restrained from, directly or indirectly, anywhere in the world:

1. Importing, shipping, manufacturing, distributing, delivering, advertising, promoting, making, purchasing, offering for sale, selling, or otherwise distributing or disposing of, in any manner (including, but not limited to, via online marketplace platforms such as eBay), any counterfeit or infringing ZIG-ZAG® brand products (including, but not limited to, ZIG-ZAG® Orange), or any cigarette paper products bearing:

a. Infringing or counterfeit versions of the ZIG-ZAG® Trademarks, the NAOC® Trademarks, the NAOC© Copyright, and/or the ZIG-ZAG® Orange Trade Dress (as these terms are defined in North Atlantic's Complaint), which appear alone or in combination on all cartons and booklets of ZIG-ZAG® Orange cigarette paper products distributed by North Atlantic in the United States; and/or

- b. The false statement that such products are “Distributed by North Atlantic Operating Company, Inc.” or otherwise under the control or supervision of North Atlantic, when they are not;
2. Importing, shipping, manufacturing, distributing, delivering, advertising, promoting, making, purchasing, offering for sale, selling, passing off, or otherwise distributing or disposing of, in any manner (including, but not limited to, via online marketplace platforms such as eBay), any purported North Atlantic products that are not actually produced, imported, or distributed under the control or supervision of North Atlantic and/or approved for sale in the United States by North Atlantic, in connection with the ZIG-ZAG® and NAOC® Trademarks, the NAOC© Copyright, or the ZIG-ZAG® Orange Trade Dress, or inducing or enabling others to commit any of the aforesaid actions;
3. Committing any acts calculated to cause purchasers to believe that counterfeit or infringing ZIG-ZAG® cigarette paper products, including ZIG-ZAG® Orange, originate with North Atlantic, when they do not;
4. In any way infringing or damaging the ZIG-ZAG® or NAOC® Trademarks, the NAOC© Copyright, or the ZIG-ZAG® Orange Trade Dress;
5. Otherwise unfairly competing with North Atlantic in any way;

6. Forming or causing to be formed any corporation or other entity that engages in any of the above-described acts;
7. Attempting, causing, or assisting in any of the above-described acts, including, but not limited to, enabling others in the above-described acts or passing on information to others to allow them to do so; and
8. Moving, destroying, altering, deleting, or otherwise actively disposing of any documents, records, communications, and/or electronically stored information concerning the import, manufacture, distribution, advertisement, promotion, making, purchase, offer to sell, or sale of any product that has been or is intended to be sold in packaging containing the ZIG-ZAG® or NAOC® Trademarks, the NAOC© Copyright, or the ZIG-ZAG® Orange Trade Dress (including such information stored in online marketplace and/or financial accounts, to the extent it is maintained by and available from such online account service providers).

**IT IS FURTHER ORDERED** that violation of any or all of the foregoing provisions shall be punishable by contempt of court, and such other, further relief this Court deems just and proper.

**SO ORDERED.**

s/Terrence G. Berg  
TERRENCE G. BERG  
UNITED STATES DISTRICT JUDGE

Dated: October 6, 2016  
Flint, Michigan